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No. 02-

IN THE

Supreme Court of the United States

EPPENDORF-NETHELER-HINZ GMBH,

Petitioner,

v.

RITTER GMBH AND
RK MANUFACTURING, INC.,

Respondents.

Petition for a Writ of Certiorari to the United States Court of Appeals for the Fifth Circuit

PETITION FOR A WRIT OF CERTIORARI

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QUESTIONS PRESENTED

1. Whether this Court should resolve the circuit conflict as to the relevance in light of *TrafFix Devices, Inc.* v. *Marketing Displays, Inc.*, 532 U.S. 23 (2001), of the availability of alternative designs in determining whether a product's trade dress is "functional" or "non-functional."

2. Whether this Court's decision in *TrafFix Devices, Inc.* v. *Marketing Displays, Inc.*, 532 U.S. 23 (2001), changed the traditional test for determining "functionality" or "non-functionality" so as to limit Lanham Act protection to trade dress that is composed of only arbitrary, incidental, or ornamental features, thus precluding protection for trade dress that includes multiple individual elements some or all of which are *de facto* functional.

RULE 29.6 STATEMENT

The caption contains the names of all parties that appeared in the Fifth Circuit. Since the trial in this matter petitioner Eppendorf-Netheler-Hinz GmbH has changed its name to Eppendorf AG. Petitioner has no parent companies or publicly traded subsidiaries.

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PETITION FOR A WRIT OF CERTIORARI

Petitioner Eppendorf-Netheler-Hinz GmbH ("Eppendorf") respectfully petitions this Court for a writ of certiorari to review the judgment of the United States Court of Appeals for the Fifth Circuit in this case.

OPINIONS BELOW

The opinion of the Fifth Circuit was entered on April 22, 2002, is reported at 289 F.3d 351, and is reproduced in the appendix hereto ("App.") at 1a-11a. The order denying petitioner's petition for rehearing en banc, App. 25a-26a, was entered on May 24, 2002, and is not reported. The final judgment of the United States District Court for the Southern District of Mississippi, App. 12a-16a, was entered on October 31, 2000, and is not reported.

JURISDICTION

The judgment of the Fifth Circuit was entered on April 22, 2002. A petition for rehearing en banc was denied on May 24, 2002. App. 25a-26a. The jurisdiction of the Fifth Circuit was based on 28 U.S.C. § 1291. The jurisdiction of this Court is invoked under 28 U.S.C. § 1254(1).

CONSTITUTIONAL AND STATUTORY PROVISIONS INVOLVED

Section 43(a) of the Lanham Act provides in part:

> (1) Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which –

> (A) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person . . .
>
> shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.

15 U.S.C. § 1125(a).

INTRODUCTION

In this case, all of the customary criteria for certiorari are readily met. See Sup. Ct. R. 10.

First, a split between the circuits exists concerning whether, after this Court's decision in *TrafFix Devices, Inc.* v. *Marketing Displays, Inc.*, 532 U.S. 23 (2001), the availability of alternative designs may be considered in determining the "functionality" or "non-functionality" of product trade dress. The Fifth Circuit held below that after *TrafFix*, "alternative designs are not germane to the traditional test for functionality," App. 11a, while the Federal Circuit held earlier this year that evidence of the availability of alternative designs remains relevant after *TrafFix*. *Valu Eng'g, Inc.* v. *Rexnord Corp.*, 278 F.3d 1268, 1276 (Fed. Cir. 2002).

Under the "traditional" or *Inwood* test for determining whether a trade dress is legally functional or non-functional, a product design is "functional," in general terms, "if it is essential to the use or purpose of the article or if it affects the cost or quality of the article." *TrafFix*, 532 U.S. at 32 (internal quotation omitted) (quoting *Inwood Labs., Inc.* v. *Ives Labs., Inc.*, 456 U.S. 844, 850 n.10 (1982)). Applying this test in *TrafFix* – where the "functionality" of the trade dress, essentially only a single element or feature of the product design, was demonstrated as a matter of law by an

expired utility patent and its related prosecution and litigation enforcement history – this Court concluded that it was unnecessary on the facts there to consider the design alternatives that had been speculated upon by the Sixth Circuit. *Id.* at 33-34.

The instant case involves a product design trade dress concerning which Eppendorf never obtained (or sought) a utility patent, focused much of its product advertising and promotion upon the look and visual depiction of the Combitips brand design, and presented at trial (as found by the Fifth Circuit below) extensive evidence of available alternative designs. See App. 9a. Nonetheless, the Fifth Circuit reversed a jury verdict and resulting judgment entered for Eppendorf following a two-week trial, holding that under *TrafFix* "alternative designs are not germane to the traditional test for functionality." *Id.* at 11a.

In contrast, reasoning that *TrafFix* did not change the test for determining "functionality," the Federal Circuit held earlier this year that evidence of the availability of alternative designs remains relevant to a determination of whether a particular design is a protected trade dress which cannot be copied by competitors. *Valu Eng'g*, 278 F.3d at 1276 (discussing *TrafFix*).

Second, the Fifth Circuit's opinion conflicts with decisions of this Court. In *TrafFix*, this Court forcefully re-affirmed the traditional or *Inwood* standard. 532 U.S. at 32-33. Misconstruing *TrafFix*, the Fifth Circuit rejected its own well-developed functionality jurisprudence, previously cited with approval by this Court, compare App. 6a-7a, with *Two Pesos, Inc.* v. *Taco Cabana, Inc.*, 505 U.S. 763, 775 (1992) (citing *Sicilia Di. R. Biebow & Co.* v. *Cox*, 732 F.2d 417 (5th Cir. 1984)), and held below that a trade dress feature is protectable only if it is "incidental, arbitrary or ornamental" or an "arbitrary flourish which serve[s] no purpose." See App. 5a, 10a. In doing so, the Fifth Circuit erroneously relied upon inapposite language from *TrafFix* concerning an example

provided by this Court as to how a trade dress plaintiff might seek to overcome the heavy evidentiary burden it would face "[w]here the expired [utility] patent claimed the features in question." 532 U.S. at 30. Thus, the Fifth Circuit has reversed the analysis applicable under the traditional test. *TrafFix* found that the disclosure of the claimed trade dress in an expired utility patent constituted strong evidence of functionality and then asked whether the plaintiff could overcome that evidence, "for instance by showing that it is merely an ornamental, incidental, or arbitrary aspect of the device." In contrast, the Fifth Circuit has effectively created a new, threshold "incidental, arbitrary or ornamental" test that its own extensive precedent had not found under the *Inwood* test and that was neither considered nor announced in *TrafFix*.

Third, the conflict between the Fifth and Federal Circuits concerns an economic matter of national importance. This Court has recognized that the primary purposes of the Lanham Act, including its protection of trade dress, are to "'secure to the owner of the mark the goodwill of his business and to protect the ability of consumers to distinguish among competing producers.'" *Two Pesos*, 505 U.S. at 774 (quoting *Park 'N Fly, Inc.* v. *Dollar Park & Fly, Inc.*, 469 U.S. 189, 198 (1985)); see *Inwood Labs., Inc.* v. *Ives Labs., Inc.*, 456 U.S. 844, 854 n.14 (1982) (to same effect). Moreover, as this Court also has observed, Congress has concluded that "'[n]ational protection of trademarks is desirable . . . because trademarks foster competition and the maintenance of quality by securing to the producer the benefits of a good reputation.'" *Two Pesos*, 505 U.S. at 774 (quoting *Park 'N Fly*, 469 U.S. at 198); see *TrafFix*, 532 U.S. at 28 (protection of "non-functional" trade dress promotes competition); *Qualitex Co.* v. *Jacobsen Prods. Co.*, 514 U.S. 159, 163-64 (1995) (economic objectives of trademark law are to reduce consumer costs of shopping and making purchasing decisions and to encourage the production of quality products).

The Fifth Circuit's decision threatens these important Congressional goals by severely limiting, and perhaps even effectively eliminating, the protection of design trade dress. It would lead improperly to the loss of the consumer goodwill developed by trade dress owners through substantial investments of their "energy, time, and money," *Inwood*, 456 U.S. at 854 n.14, and discourage investments in product quality and maintenance, thus denying consumers the recognized pro-competitive benefits served by the Lanham Act's protection of distinctive trade dress. The decision also generates confusion among consumers who can no longer rely upon a particular trade dress to denote the trusted source of the product in question, further undermining important national legislative goals. *Qualitex*, 514 U.S. at 163-64.

The Court should grant the petition, resolve the conflict between the circuits, and restore uniformity to this economically important area of federal law.

STATEMENT OF THE CASE

Eppendorf is a life sciences company headquartered in Hamburg, Germany. After a design and development period of approximately three years, Eppendorf began selling a line or family of dispenser syringes under the brand name Combitips, entering the U.S. market in 1980. At the time, and for a number of years thereafter, there were no dispenser syringes on the market that looked like the Combitips brand. See Trial Tr. ("T") 270/1-13, 308/23-309/4; see T.255/18-21.

Dispenser syringes fit into a device called a pipette dispenser, which is used in clinical, academic, pharmaceutical and other laboratories to dispense liquid aliquots for testing and analysis. The Combitips brand dispenser syringes became a quick success, backed by extensive advertising and promotion that focused on their appearance. T.269/4-18; T.254/1-255/24. By 1985 more than five million Combitips brand syringes were being sold in the United States per year, and by 1989 more than ten million per year. T.285/3-8;

T.284/22-285/2. Over the 20 years leading up to the trial in this action, Eppendorf sold nearly 145 million Combitips brand dispenser syringes in the United States at a total price of approximately 95 to 100 million dollars.

The trade dress of the Combitips – its overall look or appearance – is distinctive to users of dispenser syringes. As the jury found in its verdict by special interrogatories, Eppendorf developed secondary meaning and associated good will in that trade dress, as to each size of Combitips brand syringes and as to the Combitips taken together as a trade dress family. App. 13a.

Nearly 15 years after Eppendorf introduced the Combitips brand syringes into the United States, Respondent Ritter GmbH ("Ritter" or "defendant Ritter") began making dispenser syringes and in conjunction with Respondent RK Manufacturing, Inc. ("RK" or "defendant RK") (collectively, "defendants"), selling dispenser syringes in the United States.[1] Rather than developing a trade dress of its own, defendant Ritter copied virtually every detail of the Combitips design, *including* copying a design flaw. T.373/20-374/16; T.411/22-412/17.

Ritter not only slavishly copied the look of the Combitips brand syringes, but did so as to each size of the Combitips. See App. 14a, 18a-19a, 21a; Plaintiff's Trial Exhibits ("Pl. Exhs.") 1-2, 4G, 5A-M.[2] Defendants then furthered their infringing conduct by touting their product as being a "direct replacement" for the Combitips brand syringes. App. 21a-22a; T.307/5-24.

At the time that defendant Ritter was, unknown to Eppendorf, copying the Combitips design, Eppendorf had

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[1] The founder, co-owner, and president of Defendant Ritter owned 50 percent of defendant RK and served as a director and president of RK, while other Ritter co-owners also served as RK officers and directors.

[2] Eppendorf makes eight sizes of the Combitips design dispenser syringes, ranging from .05 ml to 50 ml.

already begun developing a new line of dispenser syringes to be sold under the name Combitips Plus. The Combitips Plus brand syringes have a very different trade dress appearance, but function with the same type of pipette dispenser as the Combitips (as well as another type of pipette dispenser) and cost 15 percent *less* than the Combitips. T.1263/13-17; T.357/15-17, 1360/20-1361/4; T.1180/6-1181/7.[3]

The case was filed in June 1998 in the United States District Court for the Eastern District of New York. Following a transfer of venue to the Southern District of Mississippi and subsequent jury demand by defendant Ritter, the case was tried before a jury in June 2000.

No patents were at issue at trial. Eppendorf presented evidence of the extensive efforts that led to the development of secondary meaning in its Combitips design trade dress, including more than three million dollars in advertising and additional promotional efforts. T.254/1-272/13, 280/15-281/25, 284/3-290/10, 291/24-306/18. Eppendorf also presented extensive evidence demonstrating the availability of alternative designs that could use the same type of components as the Combitips design, but have a different appearance and would not affect use or purpose or (adversely) affect cost or quality. Indeed, Eppendorf proved not only the existence of different-looking overall designs, but also that the appearance of each of the eight individual elements of the overall Combitips design could be varied without affecting use or purpose or (adversely) affecting cost or quality.[4] The

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[3] Reproduced at App. 27a-30a are Pl. Exs. 5A, 5C, 5G, and 5I, which are photographs of defendants' dispenser syringes and Eppendorf's Combitips and Combitips Plus brand dispenser syringes in, respectively, the .5 ml, 1.25 ml (1 ml in the compatible Combitips Plus line), 5 ml, and 12.5 ml sizes (10 ml in the Combitips Plus line). Reproduced at App. 31a is Pl. Ex. 4E, which is a photograph of a line of dispenser syringes made by a company named Oxford.

[4] The record shows that the appearance of the "rings" on the head or top of the plunger, the "fins" under the flange, the design of the plunger, the

record also shows that given the number of individual elements and the number of alternatives available under each element, a great number of overall design alternatives exist. T.458/6-19.

During the two-week trial, defendants sought to deny that they had copied the Combitips design, even when confronted with one of their own documents, a photograph of the Combitips, that had been doctored to white out the name "eppendorf." See App. 19a-20a. Neither the jury nor the experienced trial judge believed defendants' incredible efforts to deny deliberately copying the Combitips design. *Id.* at 14a-15a, 18a-22a.[5]

Defendants did admit at trial that they could have developed alternative designs and that competing alternative designs, different in appearance, were on the market.

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design of the syringe tip, the volume of the syringes, the design of the flange, and the angle of the stump could each be altered in various respects, by, for example, changing their number, shape, size, form and/or length. T.365/19-366/3, 404/1-10, 439/16-440/1; T.362/13-19, 449/10-450/18, 1250/16-1251/17; T.366/4-368/25, 440/2-9; T.371/4-19, 447/10-19; T.372/9-373/9, 447/15-448/19; T.375/16-376/1, 453/17-22; T.376/25-377/9, 454/23-455/20, 1255/4-19. The color scheme of the Combitips brand syringes, which are made of plastic, also could be changed both as to the plastic used in the syringes and the printing on the syringes. T.377/21-378/5, 457/15-25. Various colors are commonly used and available in the industry, App. 31a; Pls. Exs. 7, 10, and 95; T.1478/1-1479/21, 1483/9-1485/9, and defendants themselves use green for their "medical products" line. T.987/15-18; *see* T.618/15-25. The color blue is used in conjunction with the Combitips Plus. App. 27a-30a; Pl. Exs. 4G and 7. All of these changes could be made to the Combitips design trade dress without affecting functionality, that is, without affecting use, purpose, cost or quality.

[5] By the time of their post-trial briefing, defendants finally abandoned their efforts to recast their false and evasive trial testimony, conceding that "[t]here is no dispute that [defendant] Ritter GmbH intended to make a product of the same design as Eppendorf's." R. at 1621 (Defs.' Opp'n to Pl.'s Mot. for Enhanced Damages, Prejudgment Interest, and Attorneys' Fees, at 15 (Aug. 7, 2000)).

T.601/22-603/12, 1081/15-1082/9, 1455/19-1456/25; see also T.1454/24-1455/18. They also admitted that a number of changes could be made to the Combitips design, both overall and as to individual elements, without affecting function or cost, T.1264/24–1265/2; T.1028/10-12, and that "artistic deviations" exist between dispenser syringe designs. T.1262/6-7, 1262/10-25.

The eight-member jury unanimously concluded that defendants Ritter and RK had infringed Eppendorf's trade dress rights in its family of Combitips brand dispenser syringes under Section 43(a) of the Lanham Act. The jury found that defendants had infringed the distinctive overall look or appearance of the Combitips design. The jury also found that defendants had acted willfully and with the intent to confuse or deceive or to appropriate the goodwill in Eppendorf's trade dress, and that Eppendorf had suffered damages in the form of lost profits of $750,000 and lost licensing fees of $250,000. App. 12a-15a.

After denying defendants' voluminous post-trial motions, the district court granted Eppendorf's post-trial motion for enhanced damages by an opinion and order dated October 31, 2000. The district court awarded $750,000 in enhanced damages and found, inter alia, that defendants had purposefully infringed Eppendorf's trade dress with the intent of stealing Eppendorf's customers and reducing Eppendorf's sales and profits. App. 17a-22a. However, the district court denied Eppendorf's motion for prejudgment interest and attorneys' fees. *Id.* at 22a-24a.

The district court also entered final judgment on October 31, 2000. App. 12a. Defendants appealed, and Eppendorf cross-appealed as to the denial of prejudgment interest and attorneys' fees. Following oral argument, the Fifth Circuit reversed, vacated the final judgment, and, without remand, entered judgment for defendants solely on the issue of "functionality." *Id.* at 11a.

The Fifth Circuit did not discuss the absence of any utility patent evidence or Eppendorf's advertising and promotional focus on the look or appearance of the Combitips. Focusing on the individual elements of the design rather than the design as a whole, the Fifth Circuit did acknowledge that "there is extensive testimony in the record regarding available alternative designs for each of the eight elements" used in the Combitips design. However, it held that after *TrafFix*, "alternative designs are not germane to the traditional test for functionality." App. 11a. Furthermore, without considering the question presented or analyzing the patent-related and product-specific evidence that was determinative in *TrafFix*, the Fifth Circuit also held that "only incidental, arbitrary or ornamental product features" can be part of protected trade dress. *Id.* at 5a.

Operating under these premises, the Fifth Circuit found that Eppendorf had not shown that the elements included in the Combitips design are "arbitrary flourish[es] which serve no purpose in the Combitips" and that Eppendorf had failed to prove (even as to color) that the "Combitip design elements are unnecessary, non-essential elements" of the Combitips trade dress. App. 10a. In the Fifth Circuit's view, even if "the appearance or number of [a particular design element] could be changed without affecting the function," that element nonetheless is "functional" so long as that element in some "shape, size or number" is needed for the operation of the product. *Id.* Thus, in reversing and entering judgment for defendants, the Fifth Circuit effectively equated *de facto* function with *de jure* "functionality" and ignored the evidence that available alternative designs employing the same design elements – but changed in appearance by varying them as to size, shape, number, angle and/or color – could be used without affecting use or purpose or (adversely) affecting cost or quality.[6]

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[6] The Fifth Circuit stated in a footnote with regard to the design element referred to as the "fins" that "Eppendorf's experts also concede[d] that

REASONS FOR GRANTING THE PETITION

I. THE FIFTH CIRCUIT'S DETERMINATION THAT THE AVAILABILITY OF ALTERNATIVE DESIGNS IS IRRELEVANT TO DETERMINING NON-FUNCTIONALITY CONFLICTS WITH A DECISION BY THE FEDERAL CIRCUIT.

1. This Court has stated that a "principal purpose for which we use our certiorari jurisdiction . . . is to resolve conflicts among the United States courts of appeals." *Braxton* v. *United States*, 500 U.S. 344, 347 (1991). Here, the Fifth Circuit's determination that the availability of alternative designs is irrelevant after *TrafFix* in determining whether trade dress is "functional" or "non-functional" conflicts with the Federal Circuit's decision in *Valu Engineering, Inc.* v. *Rexnord Corp.*, 278 F.3d 1268 (Fed. Cir. 2002). This conflict should be resolved by this Court.

2. "The trade dress of a product is essentially its total image and overall appearance." *Two Pesos*, 505 U.S. at 764 n.1 (internal quotation omitted). Trade dress thus includes the design of a product, see *TrafFix*, 532 U.S. at 28; *Wal-Mart Stores, Inc.* v. *Samara Brothers, Inc.*, 529 U.S. 205, 209-10 (2000), and "may include features such as size, shape, color

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some of the suggested alternatives would slightly increase the cost of the product." App. 10a n.5. The Fifth Circuit did not specifically identify the testimony in question and, moreover, failed to address the record evidence indicating that the amount of plastic used per syringe for the fins is so small that any asserted difference would not play a role. T.395/12-25. The overall material costs for even one of the larger sizes of the Combitips brand dispenser syringes is less than 1 cent, T.369/7-15, with the fins accounting for a small fraction thereof. Thus, any change, if even measurable, would involve only thousandths or hundredths of that amount. T.395/12-25. Indeed, defendants conceded at trial that the per syringe cost of material was "not relevant." T.1028/10-12. Of course, even ignoring this evidence, alternatives are available that use fewer fins (and thus, to the extent measurable, less plastic for the fins), *see* T.362/14-19, 454/3-14, and alternatives exist as to each of the other elements, which can be combined to create numerous trade dress alternatives.

or color combinations, texture, graphics, or even particular sales techniques." *Two Pesos*, 505 U.S. at 764 n.1 (internal quotation omitted); see *Qualitex Co.* v. *Jacobsen Prod. Co.*, 514 U.S. 159 (1995) (color of product eligible for registration and protection as a mark).

"It is well established that trade dress can be protected under federal law." *TrafFix*, 532 U.S. at 28.

> The design or packaging of a product may acquire distinctiveness which serves to identify the product with its manufacturer or source; and a design or package which acquires this secondary meaning, assuming other requisites are met, is a trade dress which may not be used in a manner likely to cause confusion as to the origin, sponsorship, or approval of the goods.

Id.; see *Inwood*, 456 U.S. at 863 & n.5 (White, J., concurring in the result) ("The use of a product or package design that is so similar to that of another producer that it is likely to confuse purchasers as to the product's source may constitute 'false designation of origin' within the meaning of the [Lanham] Act.") (citing courts of appeals decisions).

Design trade dress that has acquired secondary meaning is protected from infringement by the Lanham Act if it is "non-functional," and this statutory protection of such non-functional trade dress "exists to promote competition." *TrafFix*, 532 U.S. at 28.

3. In *Inwood*, this Court stated that "[i]n general terms, a product feature is functional if it is essential to the use or purpose of the article or if it affects the cost or quality of the article." 456 U.S. at 850 n.10. The Court reaffirmed and applied this "traditional" or *Inwood* rule in *TrafFix*, in reviewing a Sixth Circuit decision that reversed a grant of summary judgment for the defendant on a product trade dress claim. See 532 U.S. at 32-33.

The Court granted certiorari in *TrafFix* to resolve a conflict in the circuits on the issue of "whether the existence of an expired utility patent forecloses the possibility of the patentee's claiming trade dress protection in the product's design." *Id.* at 28. On the facts in *TrafFix*, the Court held that as a matter of law the plaintiff there could not establish "non-functionality" under the traditional or *Inwood* formulation.

The *TrafFix* plaintiff sought trade dress protection for a dual-spring design for a temporary road sign. The Court examined the expired utility patents that had been owned by the plaintiff and which claimed as their "central advance" the use of two springs. Indeed, a road sign stand with only one spring could not function like a road sign stand using the dual-spring design because it would topple over in heavy wind conditions. At the same time, the dual-spring design also was the "essential feature" of the plaintiff's alleged trade dress and the plaintiff "in essence [sought] protection for the dual-spring design alone." *Id.* at 30, 34.

The Court also examined the prosecution and litigation enforcement history relating to the expired utility patents. The prosecution history confirmed that the dual-spring sign allows outdoor sign stands to resist toppling in strong winds, while single-spring designs lack this important operational advantage, and a three-spring design would be unnecessary and simply increase costs. As to the enforcement of those expired utility patents, the plaintiff previously had obtained a ruling of patent infringement against another company for using a two-spring design that looked very different. Thus, the *TrafFix* plaintiff's own conduct established that the patent claims covered a design with two springs, even if that spring design looked very different. *Id.* at 30-31.

Based on this record, the *TrafFix* plaintiff could not overcome the "strong evidentiary inference of functionality based on the disclosure of the dual-spring design in the claims of the expired patents." *Id.* at 30. The Court thus held that

the "functionality" of the trade dress had been conclusively established on the facts there and that there accordingly was "no need, furthermore, to engage, as did the Court of Appeals [for the Sixth Circuit], in speculation about other design possibilities, such as using three or four springs . . . . Other designs need not be attempted." *Id.* at 33-34.

4. The Fifth Circuit construed the *TrafFix* decision to mean that "alternative designs are not germane to the traditional test for functionality." App. 11a.

Contrary to the Fifth Circuit's decision below, the Federal Circuit has specifically rejected the position that the availability of alternative designs is irrelevant after *TrafFix* in determining whether or not trade dress is "functional."

> We do not understand the Supreme Court's decision in *TrafFix* to have altered the *Morton-Norwich* analysis [concerning the evidentiary factors generally considered under Federal Circuit precedent in determining "functionality" or "non-functionality"].[7] As noted above, the *Morton-Norwich* factors aid in the determination of whether a particular feature is functional, and the third factor focuses on the availability of "other alternatives." *Morton-Norwich*, 671 F.2d at 1341. We did not in the past under the third factor require that the opposing party establish that there was a "competitive necessity" for the product feature. Nothing in *TrafFix* suggests that consideration of alternative designs is not properly part of the overall

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[7] *See In re Morton-Norwich Prods., Inc.*, 671 F.2d 1332 (C.C.P.A. 1982) (opinion for the court by Rich, J.). The *Morton-Norwich* factors are (1) the existence of a utility patent that discloses the utilitarian advantages of the design; (2) advertising materials in which the originator of the design touts the design's utilitarian advantages; (3) the availability to competitors of functionally equivalent designs; and (4) facts indicating that the design results in a comparatively simple or cheap method of manufacturing the product. *Valu Eng'g*, 278 F.3d at 1274 (citing *Morton-Norwich*, 671 F.2d at 1340-41).

> mix, and we do not read the Court's observations in *TrafFix* as rendering the availability of alternative designs irrelevant. Rather, we conclude that the Court merely noted that once a product feature is found functional based on other considerations there is no need to consider the availability of alternative designs, because the feature cannot be given trade dress protection merely because there are alternative designs available. But that does not mean that the availability of alternative designs cannot be a legitimate source of evidence to determine whether a feature is functional in the first place. We find it significant that neither party argues that *TrafFix* changed the law of functionality . . . .

Valu Eng'g, 278 F.3d at 1276 (footnote added; original footnote omitted). The Federal Circuit then went on to quote Professor McCarthy, the leading trademark law commentator, who also has reached the same conclusion:

> "In the author's view, the observations by the Supreme Court in *TrafFix* do not mean that the availability of alternative designs cannot be a legitimate source of evidence to determine in the first instance if a particular feature is in fact 'functional.' Rather, the Court merely said that once a design is found to be functional, it cannot be given trade dress status merely because there are alternative designs available."

Id. (quoting 1 J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition* § 7.75, at 7-180-1 (4th ed. 2001)).

5. The contrary positions adopted by the Fifth and Federal Circuits create a direct conflict that this Court should address now in order to provide much needed guidance to the courts of appeals. This conflict involves the "functionality" doctrine, which this Court has characterized as being "'important,'" *Qualitex*, 514 U.S. at 165, and which relates to product trade dress, an area of doctrinal difficulty and

frequent conflict among the circuits, as evidenced by this Court's grants of certiorari most recently in *TrafFix* and in *Wal-Mart Stores, Inc.* v. *Samara Brothers, Inc.*, 529 U.S. 205 (2000).

It is a conflict, furthermore, that effectively exceeds the jurisdictional bounds of the Fifth and Federal Circuits. As occurred in *Valu Engineering*, the Federal Circuit reviews decisions by the Trademark Trial and Appeal Board concerning applications to federally register trade dresses (and other types of marks). See 28 U.S.C. § 1295(a)(4)(B). Thus, if this conflict is not addressed, applications for trade dress registrations – which, if granted, are designed to provide the registration owner with nationwide rights to the mark in question – will be judged by the U.S. Patent and Trademark Office according to a standard contrary to the standard that would be applied to trade dress infringement claims adjudicated in the Fifth Circuit. See *Wal-Mart*, 529 U.S. at 210 ("'[T]he general principles qualifying a mark for registration under § 2 of the Lanham Act are for the most part applicable in determining whether an unregistered mark is entitled to protection under § 43(a).'") (quoting *Two Pesos*, 505 U.S. at 768). Moreover, the nationwide scope of rights granted by virtue of federal registration matches the practices of many businesses, including Eppendorf, whose products are sold across the nation.

Finally, the conflict is outcome determinative here, as the Fifth Circuit reversed the jury's verdict and the district court's final judgment based solely upon the issue of "functionality."

For all of these reasons, guidance clearly is needed from this Court.

II. THE FIFTH CIRCUIT'S DECISION IS IN CONFLICT WITH THIS COURT'S "FUNCTIONALITY" JURISPRUDENCE.

1. Misconstruing *TrafFix*, the Fifth Circuit panel effectively created a new, threshold test that would extend

Lanham Act protection only to trade dress that is merely "incidental, arbitrary or ornamental." App. 5a. Such a test is inconsistent with the traditional test as first articulated in *Inwood* and re-affirmed in *TrafFix*, a conflict that further heightens the need for review by this Court. See Sup. Ct. R. 10(c). The Fifth Circuit decision converts inapposite language from *TrafFix* into a test that few, if any, product designs could meet. It thus calls into question the continued viability of trade dress protection that Congress has confirmed in the Lanham Act and that this Court has recognized as promoting competition and the Act's underlying purposes. *TrafFix*, 532 U.S. at 28-29.

2. All products have a function or purpose and thus are *de facto* functional, that is, functional in the layperson's sense of the word.[8] Moreover, it has long been recognized that product trade dress is almost always composed of a combination of features that includes elements that at least serve a *de facto* function or purpose. *Morton-Norwich*, 671 F.2d at 1338 ("Most designs, however, result in the production of articles, containers, or features thereof which are indeed utilitarian, and examination into the possibility of trademark protection is not the mere existence of utility, but to the degree of design utility."); *accord Two Pesos*, 505 U.S. at 764 n.1 (trade dress may include features such as size, shape, color or color combinations, texture, and graphics).

Furthermore, it also is well recognized that where the trade dress includes multiple individual elements, the "functionality" inquiry does not turn on a determination as to the individual elements, but on whether the collection or combination of design choices taken together is "functional" or "non-functional." *Pebble Beach Co.* v. *Tour 18 I Ltd.*, 155

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[8] Indeed, in a strict sense, every design feature, even those that are purely ornamental, can affect or contribute to the use or cost of a product (unless there is no measurable cost involved). *See, e.g., Morton-Norwich*, 671 F.2d at 1340 ("every design 'affects' or 'contributes' to the utility of the article in which it is embodied").

F.3d 526, 538 (5th Cir. 1998) (collection of functional features may be protectable depending upon whether the design as a whole is non-functional) (citing, inter alia, *Vaughn Mfg. Co.* v. *Brikam Int'l, Inc.*, 814 F.2d 346, 350 (7th Cir. 1987)); *Tools USA & Equip. Co.* v. *Champ Frame Straightening Equip., Inc.*, 87 F.3d 654, 658 (4th Cir. 1996) ("the critical functionality inquiry is not whether each individual component of the trade dress is functional, but rather whether the trade dress *as a whole* is functional") (citing cases from various circuits); *Hartford House, Ltd.* v. *Hallmark Cards, Inc.*, 846 F.2d 1268, 1272 (10th Cir. 1988) ("'virtually every product is a combination of functional and non-functional features and a rule denying protection to any combination of features including a functional one would emasculate the law of trade dress infringement'"); *Sicilia Di. R. Biebow & Co.* v. *Cox*, 732 F.2d 417, 425, 429 (5th Cir. 1984) (a design can contribute or be related to product function or utility and be non-functional and protected) (citing, inter alia, *Dallas Cowboys Cheerleaders, Inc.* v. *Pussycat Cinema, Ltd.*, 604 F.2d 200, 203-04 (2d Cir. 1979)).[9]

3. As discussed *supra* at 13, this Court granted certiorari in *TrafFix* to resolve a conflict as to whether a trade dress infringement claim is foreclosed by a utility patent that also claims the design in question. 532 U.S. at 28. In other words, the question presented in *TrafFix* was not whether the trade dress involved had a *de facto* function, but whether the existence of an expired utility patent conclusively established *de jure* "functionality."[10]

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[9] 1 J Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition* § 7.76, at 7-187 & nn.2-3 (4th ed. 2002) ("Almost all courts adhere to this view. There is little dissent from this position.") (footnote omitted; citing numerous cases).

[10] As also discussed *supra* at 13, *TrafFix* involved essentially a single-element trade dress.

Addressing this question, this Court held that:

> Where the expired [utility] patent claimed the features in question, one who seeks to establish trade dress protection must carry the heavy burden of showing that the feature is not functional, *for instance* by showing that it is merely an ornamental, incidental, or arbitrary aspect of the device.

Id. at 30 (emphasis added).

Thus, this Court's reference to a "merely . . . ornamental, incidental, or arbitrary aspect of [a] device" was made by way of example as to how a plaintiff might establish "non-functionality" where, unlike in this case, a utility patent claims the trade dress in question. The Court did not consider or announce a new rule that only such aspects of a device are potentially eligible for protection as part of a design trade dress, or require such a threshold showing by trade dress plaintiffs. The Court also did not hold that a trade dress, or even an individual feature of a multi-element trade dress (which was not at issue in *TrafFix*), is "essential" to use or purpose and thus "functional" unless it is, in the words of the Fifth Circuit below, an "arbitrary flourish which serve[s] no purpose." App. 10a.[11] Nor did the Court otherwise equate *de facto* function with *de jure* "functionality." Indeed, had it intended to do so, the Court simply could have noted that springs of some number are needed for such sign stands to

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[11] To the extent that the Fifth Circuit's decision can be read as holding that trade dress cannot be protected where some or all of its individual elements are "functional," it would conflict with the established law of a number of various circuits. See discussion of cases *supra* at 17-18; *see also Coach, Inc.* v. *We Care Trading Co.*, No. 99 CIV.11672 (DLC), 2001 WL 812126, at *8 (S.D.N.Y. July 18, 2001) ("We Care's reading of *TrafFix* is incorrect. The *TrafFix* decision does not overrule Second Circuit law that a collection of functional features may nonetheless be protectable trade dress.").

function and thus would have held that the dual-spring design at issue there was, without more, "functional."

The Fifth Circuit's decision below reverses the analysis applicable under the *Inwood* test and applied in *TrafFix*, by requiring as a threshold matter a showing that a design or design feature, in order to be a protected trade dress, is merely "arbitrary," "incidental," or "ornamental."[12] Accordingly, petitioner submits that the Fifth Circuit's decision below conflicts with this Court's "functionality" jurisprudence, and that review of the Fifth Circuit's decision is appropriate and necessary.

III. THE CIRCUIT CONFLICT AT ISSUE HERE DIRECTLY IMPLICATES IMPORTANT NATIONAL ECONOMIC CONCERNS AND LEGISLATIVE GOALS AND THUS CALLS FOR A UNIFORM NATIONAL STANDARD.

The circuit conflict at issue here concerns – and in the case of the Fifth Circuit's decision undermines – the Lanham Act's protection of product trade dress. That statutory protection is designed, as this Court has consistently recognized, to promote important national economic interests and legislative goals. Trade dress protection provides both competitive and consumer benefits. It "'foster[s] competition and the

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[12] In doing so, moreover, the Fifth Circuit decision below would jettison the functionality jurisprudence that the Fifth Circuit had developed and applied over a period of 20 years. Under its "utilitarian" approach to functionality, the Fifth Circuit would consider – consistent with the traditional or *Inwood* formulation's focus on use, purpose, cost or quality – factors such as whether the design was "superior or optimal in terms of engineering, economy of manufacture, or accommodation of utilitarian function or performance," or, if not, whether the design was "one of a limited number of equally efficient options." *See, e.g., Sicilia Di R. Biebow*, 732 F.2d at 429. This Court favorably cited the Fifth Circuit's "utilitarian" approach in *Two Pesos*. *See* 505 U.S. at 775 (citing *Sicilia Di R. Biebow*); *see also Sunbeam Prods., Inc.* v. *West Bend Co.*, 123 F.3d 246, 255-56 (5th Cir. 1997) (discussing same and quoting the *Inwood* formulation), *cert. denied*, 523 U.S. 1118 (1998).

maintenance of quality by securing to the producer the benefits of a good reputation.'" *Two Pesos*, 505 U.S. at 774; see *Qualitex*, 514 U.S. at 164 (Lanham Act "thereby encourage[s] the production of quality products") (alteration in original; internal quotation omitted). At the same time, it "'protect[s] the ability of consumers to distinguish among competing producers.'" *Two Pesos*, 505 U.S. at 774; see *Inwood*, 456 U.S. at 854 n.14 ("the infringer deprives consumers of their ability to distinguish among the goods of competing manufacturers"). Thus, it reduces consumers' costs by allowing them to make purchasing decisions quickly and reliably as to whether the item "is made by the same producer . . . he or she liked (or disliked) in the past." *Qualitex*, 514 U.S. at 164.

The Fifth Circuit's decision threatens these economic interests and Congressional goals by severely limiting, and perhaps even effectively eliminating, the protection of product trade dress. As discussed *supra* at 17-18, few, if any, product trade dresses are composed of only "non-functional" features. Moreover, the Fifth Circuit's decision upsets the balance embodied in the "functionality" doctrine, as crafted and applied by this Court and the courts of appeals, between the pro-competitive and pro-consumer benefits provided by the Lanham Act and the fact that "copying is not always discouraged or disfavored by the laws which preserve our competitive economy." *TrafFix*, 532 U.S. at 29 (citing *Bonito Boats, Inc.* v. *Thunder Craft Boats, Inc.*, 489 U.S. 141, 160 (1989)); see, *e.g.*, *Sicilia Di R. Biebow*, 732 F.2d at 422 ("The [functionality] doctrine acts to separate those configurations that may be protected as property rights or trademarks and those designs that the law will not permit any person to monopolize.") (citing *Inwood*).

If left unresolved, the circuit conflict will not only permit a lack of uniformity to exist in the legal standards governing trade dress -- thus leading to inconsistent results and likely forum shopping by litigants – but also sow doubt and

confusion among product manufacturers and distributors as well. Investments in design quality and maintenance will be discouraged or deterred by the uncertainty surrounding whether a product's trade dress will be protectable or enforceable against a predator company seeking to appropriate another company's hard-earned reputation and good will, while that uncertainty will also leave legitimate competitors unsure as to which designs may be copied lawfully.

Of course, at least within the Fifth Circuit, the Court's decision will foster consumer confusion by depriving consumers of the ability to rely upon a particular trade dress to denote the trusted source of the product in question, further undermining important national legislative goals. *Qualitex*, 514 U.S. at 163-64. Indeed, the sort of conduct in which defendants engaged in this case adds nothing of value to our national economy. It does not involve "[r]everse engineering . . . lead[ing] to significant advances in technology," *TrafFix*, 532 U.S. at 29 (internal quotation omitted), but, instead, undermines the purposes of the Lanham Act.

CONCLUSION

For the foregoing reasons, the petition for a writ of certiorari should be granted.

Respectfully submitted,

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August 22, 2002

APPENDICES

APPENDIX A

UNITED STATES COURT OF APPEALS
FIFTH CIRCUIT

Nos. 00-60875, 01-60658

EPPENDORF-NETHELER-HINZ GMBH,
Plaintiff-Appellee-Cross-Appellant,

v.

RITTER GMBH; RK MANUFACTURING, INC.,
Defendants-Appellants-Cross-Appellees.

EPPENDORF-NETHELER-HINZ GMBH,
Plaintiff-Appellee,

v.

RITTER GMBH; RK MANUFACTURING, INC.,
Defendants-Appellants.

April 22, 2002

Appeals from the United States
District Court for the
Southern District of Mississippi

Before JONES and DeMOSS, Circuit Judges, and FELDMAN,[1] District Judge.

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[1] United States District Judge of the Eastern District of Louisiana, sitting by designation.

EDITH H. JONES, Circuit Judge:

Defendants-Appellants Ritter GMBH and RK Manufacturing, Inc., appeal the district court's judgment that they infringed upon Eppendorf-Netheler-Hinz GMBH's trade-dress rights in violation of the Lanham Act, 15 U.S.C. § 1125(a). For the reasons discussed below, we conclude that Eppendorf failed to carry its burden of proof on the issue of non-functionality, and reverse the judgment of the district court.

I. BACKGROUND

Eppendorf is a German company which manufactures medical and laboratory equipment. At issue in this case is Eppendorf's line of disposable pipette tips[2] and dispenser syringes capable of accurate and rapid "multiple dispensing" of liquids. Eppendorf's disposable pipette tips are sold in the United States marked with the word-marks "COMBITIPS," "EPPENDORF" and "EPPENDORF COMBITIPS" (hereinafter referred to as "Combitips"). Eppendorf manufactures eight Combitip sizes, from .05 milliliters to 50 milliliters. All eight sizes are designed to fit into the "Combitip Dispenser Syringe". By attaching a Combitip to the dispenser syringe, a user can rapidly dispense liquids in precisely measured aliquots.

Ritter is a German manufacturer specializing in injection-molded plastic products. In the early 1990s, Ritter began manufacturing disposable pipettes virtually identical to the Combitips. At that time, there was a large American market for disposable pipettes, and the market was dominated by

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[2] Pipette tips attach to dispenser syringes, and are frequently replaced to avoid contamination. Pipette tips are commonly known in the marketplace as "tips".

Eppendorf.[3] Ritter, through its American distributor, RK Manufacturing, Inc., entered the American market in March of 1994. Ritter's disposable pipettes were marked with the word-mark "RITIPS" (hereinafter "Ritips") and distributed in boxes marked with Ritips and Ritter's name. Ritter also introduced its own dispenser syringe, known in the market as the "Ripette". However, the Ritips were compatible with Eppendorf's Combitip Dispenser Syringe, and the Ritips were marketed as a "direct replacement" for Combitips. Ritter priced its Ritips below Eppendorf's Combitips in an attempt to acquire market share from Eppendorf.

In June of 1998, Eppendorf filed suit in the Eastern District of New York against Ritter and RK, asserting various trademark and trade dress infringement claims under § 43(a) of the Lanham Act, 15 U.S.C. § 1125(a). Eppendorf's suit was transferred to the Southern District of Mississippi. Eppendorf alleges that Ritter infringed on its trade dress rights by "slavishly mimick [ing]" the design and trade dress of the "entire family of Eppendorf [Combitips]." *Second Amended Complaint* at 6. Eppendorf contends that Ritter infringed upon eight elements of the Combitips's trade dress: (1) the flange on top of the tip; (2) the fins connecting the flange to the body of the tip; (3) the plunger head; (4) the plunger; (5) the length of the tips; (6) the eight sizes of the tips; (7) the coloring scheme on the tips; and (8) the angle of the stump on the tips. Eppendorf also contends that Ritter willfully and intentionally infringed upon its trade dress rights.

In June of 2000, Eppendorf's claims were tried before a jury in the Southern District of Mississippi. The jury returned a verdict for Eppendorf, finding that Ritter and RK infringed

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[3] According to the trial testimony, Eppendorf had sold over 10 million Combitips in the United States by 1989. Over the past 20 years, Eppendorf has sold almost 150 million Combitips.

upon Eppendorf's trade dress rights. The jury also determined that Ritter and RK willfully violated Eppendorf's trade dress rights by marketing the Ritips with an intent to confuse or deceive. The jury awarded Eppendorf $750,000 in lost profits and $250,000 in lost licensing fees. The district court entered final judgment for Eppendorf for $1,000,000 in damages awarded by the jury, and an additional $750,000 in enhanced damages on the basis of the jury's finding of willful infringement. The district court also permanently enjoined Ritter and RK from selling or marketing in the United States dispenser syringes or syringes of "a confusingly similar design" to Eppendorf's syringes.

Ritter and RK now appeal. They contend, *inter alia*, that Eppendorf failed to carry its burden of proving that the eight elements are non-functional. Eppendorf cross-appeals the district court's denial of its motion for attorneys' fees and pre-judgment interest. For the reasons discussed below, we conclude that Eppendorf failed to carry its burden of proving non-functionality and find it necessary to reverse the judgment of the district court.

II. DISCUSSION

A.

The Lanham Act, 15 U.S.C. § 1125(1), establishes a cause of action for trade dress infringement. "Trade dress" refers to the design or packaging of a product-which serves to identify the product's source. *TrafFix Devices, Inc. v. Marketing Displays, Inc.*, 532 U.S. 23, 28, 121 S.Ct. 1255, 1259, 149 L.Ed.2d 164 (2001). The purpose of trade dress protection, like trademark protection, is to "secure the owner of the [trade dress] the goodwill of his business and to protect the ability of consumers to distinguish among competing products." *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 774, 112 S.Ct. 2753, 2760, 120 L.Ed.2d 615 (1992) (citation omitted).

Trade dress protection, however, is not intended to create patent-like rights in innovative aspects of product design. Trade dress protection, unlike patent law, does not foster innovation by preventing reverse engineering or copying of innovative product design features. *See* J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION, § 6:3 (4th ed. 2001) ("Unlike patent law, the purpose of trademark and trade dress law is to prevent customer confusion and protect the value of identifying symbols, not to encourage invention by providing a period of exclusive rights."). "Trade dress protection must subsist with the recognition that in many instances there is no prohibition against copying goods and products." *TrafFix*, 532 U.S. at 29, 121 S.Ct. at 1260. Therefore, trade dress protection extends only to incidental, arbitrary or ornamental product features which identify the source of the product. If a product feature is functional, it cannot be protected trade dress. Unless protected by patent or copyright, functional product features may be copied freely by competitors in the marketplace. *Id.* "Allowing competitors to copy will have salutary effects in many instances. 'Reverse engineering . . . often leads to significant advances in technology.'" *Id.* (citing *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 160, 109 S.Ct. 971, 103 L.Ed.2d 118 (1989)).

The Lanham Act expressly limits the scope of trade dress protection by providing that "the person who asserts trade dress protection has the burden of proving that the matter sought to be protected is not functional." 15 U.S.C. § 1125(a)(3). The requirement of non-functionality "prevents trademark law, which seeks to promote competition by protecting a firm's reputation, from instead inhibiting legitimate competition by allowing a producer to control a useful product feature." *Qualitex Co. v. Jacobson Products Co., Inc.*, 514 U.S. 159, 164, 115 S.Ct. 1300, 1304, 131 L.Ed.2d 248 (1995). "Protection of functional product features is the province of patent law, which confers a

monopoly over new product designs for a limited time only, after which competitors are free to copy at will." *Abercrombie & Fitch Stores, Inc. v. American Eagle Outfitters, Inc.*, 280 F.3d 619, 640 (6th Cir.2002) (citing *Qualitex*, 514 U.S. at 164, 115 S.Ct. 1300).

It is clear that functional product features do not qualify for trade dress protection. However, the definition of "functionality" has not enjoyed such clarity. *See* J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION, § 7:67 (4th ed. 2001) (discussing the "plethora of definitions" for functionality). In *TrafFix*, the Supreme Court recognized two tests for functionality. First, the Court recognized the "traditional" definition of functionality: "a product feature is functional, and cannot serve as a trademark, 'if it is essential to the use or purpose of the article or if it affects the cost or quality of an article.'" *TrafFix*, 532 U.S. at 32, 121 S.Ct. 1255 (citations omitted). Under this traditional definition, if a product feature is "the reason the device works," then the feature is functional. *Id.* at 34, 121 S.Ct. 1255. The availability of alternative designs is irrelevant. *Id.* at 33-34, 121 S.Ct. 1255.

In addition to the traditional definition, *TrafFix* recognized a second test for functionality: "a functional feature is one the 'exclusive use of which would put competitors at a significant non-reputation-related disadvantage.'" *Id.* at 32, 121 S.Ct. 1255 (quoting *Qualitex*, 514 U.S. at 165, 115 S.Ct. 1300). This "competitive necessity" test for functionality is an expansion of the traditional test. *Id.* The Court emphasized, however, that the "competitive necessity" test is not "a comprehensive definition" of functionality. *Id.* at 33, 121 S.Ct. 1255. The primary test for functionality is the traditional test, and there is no need to consider the "competitive necessity" test where a product feature is functional under the traditional definition. *Id.* at 33-35, 121 S.Ct. 1255.

Eppendorf correctly argues that before *TrafFix*, this circuit had adopted a "utilitarian" test of functionality. Under this utilitarian test, "[t]he ultimate inquiry concerning functionality [ ] is whether characterizing a feature or configuration as protected 'will hinder competition or impinge upon the rights of others to compete effectively in the sale of goods.'" *Sicilia Di R. Biebow & Co. v. Cox*, 732 F.2d 417, 429 (5th Cir.1984) (citation omitted); *see also*, *Pebble Beach Co. v. Tour 18 I Ltd.*, 155 F.3d 526, 537-38 (5th Cir.1998); *Sunbeam Products, Inc. v. West Bend Co.*, 123 F.3d 246, 255 (5th Cir.1997). This court's "utilitarian" test, with its focus on the ability of competitors to compete effectively in the marketplace, is virtually identical to the "competitive necessity" test discussed in *TrafFix*. Accordingly, *TrafFix* supersedes the definition of functionality previously adopted by this court. The "utilitarian" test, although still valid as a secondary test, is not a comprehensive definition of functionality. *TrafFix*, 532 U.S. at 32-33, 121 S.Ct. 1255. In light of *TrafFix*, the primary test for determining whether a product feature is functional is whether the feature is essential to the use or purpose of the product or whether it affects the cost or quality of the product. *Id.*[4]

B.

The crucial issue presented by this appeal is whether the eight design elements of the Eppendorf Combitips are

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[4] This court noted in *Sunbeam* that the utilitarian definition of functionality "lowers the threshold for trade dress protection." 123 F.3d at 255 n. 18. This broad definition of functionality is not consistent with the Court's recent discussion of functionality. The Court, in *TrafFix*, cautioned against "misuse or over-extension of trade dress [protection]." *See TrafFix*, 532 U.S. at 29, 121 S.Ct. 1255 (citing *Wal-Mart Stores, Inc. v. Samara Brothers, Inc.*, 529 U.S. 205, 213, 120 S.Ct. 1339, 146 L.Ed.2d 182 (1992)). A product feature that satisfies the traditional definition of functionality is not shielded from functional status merely because the feature is not a competitive necessity.

functional as a matter of law. This case was tried in June of 2000, almost ten months before the Supreme Court decided *TrafFix*. The district court, correctly applying this circuit's utilitarian test of functionality, instructed the jury as follows:

> A design or characteristic is nonfunctional if there are reasonably effective and efficient alternatives possible. Hence, a product's trade dress is functional only, one, if competitors need to incorporate it in order to compete effectively because it is essential to the product's use, or, two, if it significantly affects the cost or quality of the article. A design is functional and thus unprotectable if it is one of a limited number of equally efficient options available to competitors and free competition would be significantly disadvantaged by according the design trademark protection.

Relying on this instruction, the jury determined that the Combitips were non-functional. Ritter and RK Manufacturing moved for judgment as a matter of law on the issue of functionality, and the district court denied the motion.

"We review *de novo* the district court's ruling on a motion for judgment as a matter of law, applying the same legal standards at the trial court." *Flowers v. Southern Reg'l Physician Serv., Inc.*, 247 F.3d 229, 235 (5th Cir.2001). In reviewing a motion for judgment as a matter of law, "we consider all of the evidence, drawing all reasonable inferences and resolving all credibility determinations in the light most favorable to the non-moving party." *Id.* (citations omitted). Judgment as a matter of law will only be granted where the facts and inferences point "so strongly and overwhelmingly in the movant's favor that reasonable jurors could not reach a contrary conclusion." *Omnitech Int'l, Inc. v. Clorox Co.*, 11 F.3d 1316, 1322 (5th Cir.1994).

Eppendorf contends that the evidence supports the jury's finding of non-functionality because "[t]he evidence clearly

established that there were alternative designs to each of the eight non-functional features." *Appellee's Brief* at 20. Indeed, there is extensive testimony in the record regarding available alternative designs for each of the eight elements. For example, Eppendorf's expert testified that the number of fins under the flange "could be increased or decreased or their appearance could be changed." *Appellee's Brief* at 5. Thus, Eppendorf argues that the fins are non-functional because alternative designs are available to competitors in the marketplace.

Eppendorf's argument, while consistent with this circuit's utilitarian definition of functionality, is unpersuasive in light of the Court's discussion of functionality in *TrafFix*. As explained above, the primary test for functionality is whether the product feature is essential to the use or purpose of the product or if it affects the cost or quality of the product. In *TrafFix*, the Court determined that the dual-spring design on a wind-resistant road sign was functional because the dual-spring design "provides a unique and useful mechanism to resist the force of the wind." 532 U.S. at 33, 121 S.Ct. at 1262. The Court rejected the argument that the springs were non-functional because a competitor could use three or four springs which would serve the same purpose. *Id.* The Court explained,

> There is no need, furthermore, to engage, as did the Court of Appeals, in speculation about other design possibilities, such as using three or four springs which might serve the same purpose. . . . The dual-spring design is not an arbitrary flourish in the configuration of [the road sign]; it is the reason the device works. Other designs need not be attempted.

Id. at 33-34, 121 S.Ct. at 1261. Accordingly, the design features for which Eppendorf seeks trade dress rights are functional if they are essential to the use or purpose of the

Combitips or affect the cost or quality of the Combitips. The availability of alternative designs is irrelevant.

In this case it is undisputed that the Combitips's fins provide necessary support for the flange. Without the fins, the flange is subject to deformation. The only testimony offered by Eppendorf to prove non-functionality of the fins related to the existence of alternative design possibilities. Eppendorf's functionality expert testified that the appearance and number of fins could be changed without affecting the function of the fins. Eppendorf did not prove, however, that the fins are an arbitrary flourish which serve no purpose in the Combitips. Rather, Eppendorf's experts concede that fins of some shape, size or number are necessary to provide support for the flange and to prevent deformation of the product. Thus, the fins are design elements necessary to the operation of the product.[5] Because the fins are essential to the operation of the Combitips, they are functional as a matter of law, and it is unnecessary to consider design alternatives available in the marketplace. *TrafFix*, 532 U.S. at 33-34, 121 S.Ct. at 1261.

Likewise, a careful review of the record demonstrates that Eppendorf failed to prove that the remaining Combitip design elements are unnecessary, non-essential design elements. It is undisputed that: (1) The flange is necessary to connect the Combitip to the dispenser syringe; (2) The rings on the plunger head are necessary to lock the plunger into a cylinder in the dispenser syringe; (3) The plunger is necessary to push liquids out of the tip, and the ribs on the plunger stabilize its action; (4) The tips at the lower end of the Combitips are designed to easily fit into test tubes and other receptacles; (5) The size of the Combitip determines the dispensed volume,

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[5] Additionally, Eppendorf's experts concede that some of the suggested alternative designs would slightly increase the cost of the product. This provides further support for the conclusion that the fins are functional under the traditional definition of functionality.

and size is essential to accurate and efficient dispensing; (6) The color scheme used on the Combitip—clear plastic with black lettering—enables the user easily to see and measure the amount of liquid in the Combitip, and black is standard in the medical industry; and (7) The stumps of the larger Combitips must be angled to separate air bubbles from the liquid and ensure that the full volume of liquid is dispensed. Thus, all eight design elements identified by Eppendorf are essential to the operation of the Combitips.

Eppendorf's theory of non-functionality focused on the existence of alternative designs. Eppendorf's design expert summarized Eppendorf's approach to functionality: "My conclusion was that to achieve the same functional purpose, [the design elements identified by Eppendorf] can be changed significantly, considerably without affecting the overall intended purpose." Although alternative designs are relevant to the utilitarian test of functionality, alternative designs are not germane to the traditional test for functionality. Each of the eight design elements identified by Eppendorf is essential to the use or purpose of the Combitips, and is not arbitrary or ornamental features. Therefore, no reasonable juror could conclude that Eppendorf carried its burden of proving non-functionality.

CONCLUSION

We conclude that Eppendorf failed to carry its burden of proving non-functionality. Therefore, pursuant to 15 U.S.C. § 1125(a)(3), Eppendorf is not entitled to trade dress protection because the eight Combitip product features are functional as a matter of law. Accordingly, we REVERSE the judgment of the district court and RENDER judgment for Ritter and RK Manufacturing. We likewise VACATE the injunction entered by the district court. Eppendorf's cross-appeal is DENIED.

APPENDIX B

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI
JACKSON DIVISION

[Filed: Oct 31, 2000]

CIVIL ACTION NO.3:98cv797BN

EPPENDORF-NETHELER-HINZ GMBH,
Plaintiff,

VS.

RITTER GMBH and RK MANUFACTURING, INC.,
Defendant.

FINAL JUDGMENT

On June 30, 2000, a jury composed of David E. Stott and seven other jurors returned their verdict as follows:

A. USE OF THE COMBITIPS PRODUCT DESIGN

1. Do you find that Eppendorf has proven that it used the product design of its combitips syringes as a trade dress prior to defendants' use of their product at the Pittcon conference in Chicago on March 2, 1994?

X Yes ___ No

B. FUNCTIONALITY

2. Do you find that Eppendorf has proven that the product design of Eppendorf's combitips syringes is nonfunctional for each of the following sizes?

0.05 ml	X yes	___ no
0.5 ml	X yes	___ no

1.25 ml	X yes	___ no
2.5 ml	X yes	___ no
5.0 ml	X yes	___ no
12.50 ml	X yes	___ no
25 ml	X yes	___ no
50 ml	X yes	___ no

C. SECONDARY MEANING

3. Do you find that Eppendorf has proven a mental association in consumers' minds between Eppendorf's trade dress and a single source of the product?

0.05 ml	X yes	___ no
0.5 ml	X yes	___ no
1.25 ml	X yes	___ no
2.5 ml	X yes	___ no
5.0 ml	X yes	___ no
12.50 ml	X yes	___ no
25 ml	X yes	___ no
50 ml	X yes	___ no

D. TRADE DRESS FAMILY

4. Do you find that Eppendorf has proven it has a trade dress family in its combitips syringes?

X Yes ___ No

5. If you have answered "Yes" to Interrogatory 4 above, do you find that Eppendorf has proven a mental association in consumers' minds between Eppendorf's trade dress family and a single source of the product?

X Yes ___ No

E. LIKELIHOOD OF CONFUSION

6. Do you find that Eppendorf has proven likelihood of confusion with respect to defendants' ritips product?

0.05 ml	X yes	___ no
0.5 ml	X yes	___ no
1.25 ml	X yes	___ no
2.5 ml	X yes	___ no
5.0 ml	X yes	___ no
12.50 ml	X yes	___ no
25 ml	X yes	___ no
50 ml	X yes	___ no

7. If you have answered "Yes" to Interrogatory 4 above, do you find that Eppendorf has proven a likelihood of confusion with respect to defendants' ritips product and Eppendorf's trade dress family?

X Yes ___ No

F. LACHES

8. Do you find that defendants have proven their affirmative defense of laches by a preponderance of the evidence?

___ Yes X No

G. WILLFULNESS

9. Do you find that Eppendorf has proven that the conduct of Defendant Ritter GmbH, in connection with the marketing of defendants' ritips products, was done with the intent to confuse or deceive or to appropriate any goodwill in Eppendorf's trade dress.

X Yes ___ No

10. Do you find that Eppendorf has proven that the conduct of Defendant RK Manufacturing, Inc., in

connection with the marketing of defendants' ritips products, was done with the intent to confuse or deceive or to appropriate any goodwill in Eppendorf's trade dress.

X Yes ___ No

H. DAMAGES

11. If you have found for Eppendorf, in what amount do you assess its damages:

a. For Eppendorf' s lost profits, if any:
$750,000

b. For defendants' profits, if any:

i. for defendant Ritter
$ -0-

ii. for defendant RK Manufacturing, Inc.
$ -0-

c. for Eppendorf's reasonable license fees, if any:
$250,000

In an opinion and Order dated October 31, 2000, the Motion of the Plaintiff for Enhanced Damages was granted. The jury verdict was increased to $1,750,000.00.

Additionally, in the July 26, 2000, Order Regarding Permanent Relief, Defendant Ritter GmbH was permanently enjoined from selling in the United States, offering for sale in the United States, distributing in the United States, or exporting to the United States, dispenser syringes of Eppendorf-Netheler-Hinz, or dispensers using a confusing similar design. Defendant RK Manufacturing, Inc. was permanently enjoined from selling, offering for sale, distributing or importing into the United States, dispenser syringes using the trade dress of the Combitips dispenser syringes or Eppendorf-Netheler-Hinz GmbH or dispenser syringes using a confusingly similar design.

In accordance with the jury verdict as amended by the grant of the Motion of the Plaintiff for Enhanced Damages, the Court hereby enters final judgment in favor of Plaintiff Eppendorf-Netheler-Hinz GmbH against Defendant Ritter GmbH and Defendant RK Manufacturing, Inc., in the amount of $1,750,000.00.

Further, in accordance with the Order Regarding Permanent Injunctive Relief entered on July 26, 2000, the Court hereby enters final judgment permanently enjoining Defendant Ritter GmbH from selling in the United States, offering for sale in the United States, distributing in the United States, or exporting to the United States, dispenser syringes of Eppendorf-Netheler-Hinz, or dispensers using a confusing similar design. Additionally, the Court hereby enters final judgment permanently enjoining Defendant RK Manufacturing, Inc. from selling, offering for sale, distributing or importing into the United States, dispenser syringes using the trade dress of the Combitips dispenser syringes or Eppendorf-Netheler-Hinz GmbH or dispenser syringes using a confusingly similar design.

SO ORDERED this the 31st day of October, 2000.

/s/ [Illegible]
UNITED STATES DISTRICT JUDGE

APPENDIX C

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI
JACKSON DIVISION

[Filed: Oct 31, 2000]

CIVIL ACTION NO. 3:98cv797BN

EPPENDORF-NETHELER-HEINZ GMBH,
Plaintiff,

VS.

RITTER GMBH and RK MANUFACTURING, INC.,
Defendant.

OPINION AND ORDER

This cause is before the Court on the Motion of the Plaintiff for Enhanced Damages, Prejudgment Interest, and Attorney Fees. Having considered the Motion, Response, Rebuttal, all attachments to each, and supporting and opposing authority, the Court finds that the Motion should be granted in part and denied in part.

I. Factual Background and Procedural History

Eppendorf-Netheler-Hinz GmbH ("Eppendorf") is the manufacturer and distributor of liquid handling devices sold under the word marks COMBITIPS, EPPENDORF, and EPPENDORF COMBITIPS ("COMBITIPS"). Eppendorf alleges that the COMBITIPS product line embodies a family of distinctive and famous design marks and trade dress. Defendant Ritter GmbH ("Ritter") began to manufacture a

line of syringes that allegedly embodied the trade dress of the COMBITIPS "family" in the early 1990s. RK Manufacturing, Inc. ("RK"), as a distributor of Ritter syringes in the United States, first exhibited the Ritter syringes at the Pittcon convention in Chicago, Illinois, in March of 1994.

On June 11, 1998, Eppendorf filed the subject lawsuit alleging trademark and trade dress infringement by Ritter and RK. The case was tried to a jury beginning on June 19, 2000, through June 30, 2000. In a verdict by special interrogatories, the jury found in favor of Eppendorf and awarded $750,000.00 in damages and $250,000.00 in license fees. The Motion of the Plaintiff for Enhanced Damages, Prejudgment Interest, and Attorney Fees is now before the Court.

II. Analysis

A. Enhancement of Damages

Pursuant to section 35 (a) of the Lanham Act, a district court, in its discretion, may "enter judgment, according to the circumstances of the case, for any sum above the amount found as actual damages, not exceeding three times such amount." 15 U.S.C. § 1117(a). An award in excess of actual damages, however, must "constitute compensation and not a penalty." *Id. See also Taco Cabana Int'l Inc. v. Two Peso, Inc.*, 932 F.2d 1113, 1127 (5th Cir. 1992) (holding that an enhancement of damages cannot be punitive in nature). While the "[i]ntentional imitation [of a product] alone" generally will not justify an enhancement of damages, a district court may enhance damages in cases in which one party has willfully infringed the trade dress of the other. *Taco Cabana*, 932 F.2d at 1127.

Having considered all of the evidence presented at trial, this Court finds that an enhancement of damages is warranted in this case. First, the record clearly establishes that the Defendants intentionally copied the product design of the Eppendorf COMBITIPS syringe when creating their line of

liquid dispensing syringes. A visual comparison of the Eppendorf syringe and the Ritter/RK syringe shows that the latter is virtually identical to the former. No attempt was made by the Defendants to alter the design of the: (1) number of rings on the plunger, (2) the fins under the flange, (3) the plunger of the syringe, (4) the length of the syringe, (5) the flange on the syringe, (6) the stump angle, or (7) the color scheme, in spite of the fact that the Defendants were aware that their product design was essentially identical to that of COMBITIPS syringes, that the Plaintiff had contested the use of its product design by the Defendants, and that alterations in the design of the syringe, that could have prevented consumer confusion, were possible. The Court is not convinced that the use by the Defendants of a slightly altered measuring scale on its syringes was adequate to minimize the consumer confusion likely to result from their otherwise blatant copying of the over-all COMBITIPS design. Likewise, the Court is unpersuaded that the inclusion of the trade name "RITIPS" on the syringes manufactured by the Defendants is, without more, sufficient to minimize trade dress confusion given the facts and circumstances of this case.[1]

Second, the Court is unpersuaded by the evidence of Mr. Franz Peter Ritter, the co-founder and head of Ritter GmbH and the cofounder and president of RK. Mr. Ritter testified that he was contacted by a customer that inquired as to whether the Defendants could improve the design of a syringe dispenser allegedly manufactured by the Polish company HTL. Mr. Ritter also testified that he was furnished a photograph of the allegedly leak-prone syringes on which it based its product design. The photograph, however, actually

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[1] The fact that a product is marketed under a different trade name does not automatically protect the party accused of blatant copying in a trade dress infringement case. *See, e.g., Taco Cabana*, 932 F.2d at 1113 (finding trade dress infringement even though the restaurants were identified by different names).

was of Eppendorf COMBITIPS syringes on which the name "Eppendorf" had been whited-out. The Defendants did not improve the design of the depicted syringes, instead they did no more than copy the design of Eppendorf and distribute their identical syringes under the name "RITIPS." Even if the Court were to credit Mr. Ritter's testimony that he was not aware that the syringes in the photograph were manufactured by Eppendorf, the Defendants had actual knowledge that they had duplicated the syringe system of another manufacturer and sought to profit from their exploits.

Additionally, the Court is unpersuaded by the testimony of Mr. Ritter as regards the legal advice he received from German attorney Mr. Gallo on behalf of his companies. Mr. Ritter's testimony, as it pertains to Mr. Gallo's investigation, was essentially unsupported by other testimony or documentation at trial. Except for the testimony of Mr. Ritter, there is no evidence in the record to indicate the manner or scope of Mr. Gallo's investigation or the content of the findings or opinions that may have been conveyed to the Defendants. There is also no showing that Mr. Gallo was qualified to research trade dress law in the United States, had otherwise consulted with an attorney so qualified, or had even considered the possibility that the United States recognizes trade dress infringement, in addition to trademark and copyright infringement, as a distinct and separate cause of action. In fact, when asked whether the legal opinion of Mr. Gallo specifically mentioned the area of trade dress, Mr. Ritter responded by stating, "If there had been such rights, Mr. Gallo would have told me." *See* Plaintiff's Memorandum in Support of Its Motion for Enhanced Damages, Prejudgment Interest, and Attorney Fees ("Plaintiff's Memorandum"), at 11 (citing Trial Trans. at 1060:16-1061:14). The Court finds that the Defendants have failed to provide sufficient testimony or documentation to support their

allegation that they reasonably relied on the advice of counsel prior to entering RITIPS syringes into the United States market.

Third, the record indicates that prior to the time RITIPS entered markets in the United States, the Defendants knew that their product design was identical to that of Eppendorf and that Eppendorf was the leader of liquid handling syringes used in conjunction with the Eppendorf dispensing system in the United States. The Defendants were also aware that Eppendorf objected to the use of the COMBITIPS design by the Defendants. Even with this knowledge, however, the Defendants made no attempt to alter the design of their product but, instead entered a virtually identical product into the market. The Court finds that "there has been no other plausible explanation presented by the Defendants for the virtual replication of the Plaintiff's [COMBITIPS syringe design]" and, therefore, the Court concludes that the Defendants "intended to imitate the [COMBITIPS syringe design] and thereby benefit from the consumer goodwill associated with [Eppendorf COMBITIPS]." *Sunbeam Products, Inc. v. West Bend Co.*, 123 F.3d 247, 258 (5th Cir. 1997).

The conclusion reached by the Court is supported by the fact that the Defendants advertised RITIPS syringes as a "direct replacement" for Eppendorf COMBITIPS. Pl. EX. 41 (RK advertising) . The Court is not persuaded by the assertion of the Defendants that the reference to RITIPS as "direct replacements" was meant to imply that the RITIPS "product was directly compatible with an Eppendorf or equivalent dispenser without the need for any special adaptor." Defendants' Opposition to Plaintiff's Motion for Enhanced Damages, Prejudgment Interest, and Attorney Fees ("Defendants' Response"), 14. If the Defendants intended to merely convey a "no special adaptor required" message to the American buying public, they could have so provided in their

advertisement. Instead, the Defendants touted their exact replica syringes as being a "direct replacement" for those of the market leader Eppendorf.

The Court finds that the intentional copying by the Defendants of the COMBITIPS syringe design coupled with the claim that RITIPS were a direct replacement for the product manufactured, distributed and heavily advertised by the market leader Eppendorf, amounts to a deliberate infringement with the intent to usurp the goodwill of Eppendorf. In the present case, the Defendants purposefully infringed upon the COMBITIPS trade dress with the intent to steal customers from Eppendorf in the United States market. The Court finds that given the deliberate and intentional acts of the Defendants, and the difficulty in determining the actual amount of damage Eppendorf suffered because of these acts, that an enhancement of damages pursuant to section 35 (a) of the Lanham Act is warranted. Therefore, the Court will award Eppendorf enhancement damages of $750,000.00 which, when added to the damages awarded by the jury, results in total damages awarded of $1,750,000.00.

B. Attorney Fees

Pursuant to section 35 (a) of the Lanham Act, a court may award attorney fees to the prevailing party in "exceptional cases." *See* 15 U.S.C. § 1117(a). Exceptional cases are those in which "the acts of infringement can be characterized as 'malicious,' 'fraudulent,' 'deliberate,' or 'willful.'" *Moore Business Forms, Inc. v. Ryu*, 960 F.2d 486, 491 (5th Cir. 1992) (quoting S. REP. NO. 93-1400 (1974), reprinted in U.S.C.C.A.N. 7132, 7133). *See also, Pebble Beach Co. v. Tour 18 I Limited*, 155 F.3d 526, 555 (5th Cir. 1998). A finding of "willfulness" sufficient to enhance damages, however, does not automatically entitle the successful

Plaintiff to attorneys' fees.[2] *See Taco Cabana*, 932 F.2d at 1127 (refusing to "conflate the standards [for enhanced damages and attorney fees pursuant to 15 U.S.C. § 1117(a)] because some cases may well warrant one form of recovery and not the other"). "An awards of attorneys' fees under [15 U.S.C.] § 1117(a) generally 'requires a showing of a high degree of culpability on the part of the infringer, for example bad faith or fraud.'" *Pebble Beach*, 155 F.3d at 556 (citing *Texas Pig Stands, Inc. v. Hard Rock Cafe Int'l, Inc.*, 951 F.2d 685, 697 (5th Cir. 1992)); *Ryu*, 960 F.2d at 491-92.

To be entitled to attorneys' fees, the prevailing party must prove the "exceptional nature of the case by clear and convincing evidence." *Pebble Beach*, 155 F.3d at 555 (citing *CJC Holdings, Inc. v. Wright & Lato, Inc.*, 979 F.2d 61, 65 (5th Cir. 1992). If the prevailing party satisfies this burden, the court, in its discretion, may award attorneys' fees. *Id.* A district court, however, "normally should not find a case exceptional where the party presents what it in good faith believes may be a legitimate defense." *Id.* at 556. The Court finds that the Defendants presented legitimate defenses against the claims made by Eppendorf. As there is no evidence in the record to support a finding that the Defendants acted fraudulently or in bad faith when defending this action, the Motion of Eppendorf for Attorney Fees is denied.

C. Prejudgment Interest

Section 35 (a) of the Lanham Act, does not specifically address the awarding of prejudgment interest in trade dress infringement actions. *See* 15 U. S. C. § 1117(a). Eppendorf, however, argues that a recovery of prejudgment interest is

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[2] Additionally, "[a] jury finding of willfulness does not bind the trial court in determining whether [a] case is 'exceptional'; it may, however, serve as a guide." *Texas Pig Stands, Inc. v. Hard Rock Cafe Int'l, Inc.*, 951 F.2d 684, 697 (5th Cir. 1992).

required in this case to ensure that it is fully compensated for the willful acts of the Defendants and to deter the conduct of would-be infringers in the future. The Court finds that as Eppendorf has been awarded enhanced damages, it has been fully compensated and an award of prejudgment interest would be punitive in nature. Therefore, the Motion of Eppendorf for Prejudgment Interest is denied.

III. Conclusion

For the foregoing reasons:

IT IS THEREFORE ORDERED that the Motion of Eppendorf to Enhance Damages [151-1] is well taken and is hereby granted. The Court awards Eppendorf total damages in the amount of $1,750,000.00.

IT IS THEREFORE FURTHER ORDERED that the Motion of Eppendorf for Attorney Fees [151-2] and Prejudgment Interest is not well taken and is hereby denied.

SO ORDERED this the 31st day of October, 2000

/s/ [Illegible]
UNITED STATES DISTRICT JUDGE

APPENDIX D

IN THE UNITED STATES COURT OF APPEALS
FOR THE FIFTH CIRCUIT

[Filed: May 24, 2002]

No. 00-60875

EPPENDORF -NETHELER- HINZ GMBH,
Plaintiff-Appellee-Cross-Appellant,

v.

RITTER GMBH; RK MANUFACTURING INC.,
Defendants-Appellants-Cross-Appellees.

No. 01-60658

EPPENDORF-NETHELER-HINZ GMBH,
Plaintiff–Appellee,

v.

RITTER GMBH; RK MANUFACTURING INC.,
Defendants–Appellants.

Appeals from the United States District Court
for the Southern District of Mississippi, Jackson

ON PETITION FOR REHEARING EN BANC

(Opinion 4/22/02, 5 Cir., _____, _____F.3d _____)

Before JONES and DeMOSS, Circuit Judges, and FELDMAN*, District Judge.

PER CURIAM:

(X) Treating the Petition for Rehearing En Banc as a Petition for Panel Rehearing, the Petition for Panel Rehearing is DENIED. No member of the panel nor judge in regular active service of the court having requested that the court be polled on Rehearing En Banc (FED. R. APP. P. and 5TH CIR. R. 35), the Petition for Rehearing En Banc is DENIED.

( ) Treating the Petition for Rehearing En Banc as a Petition for Panel Rehearing, the Petition for Panel Rehearing is DENIED. The court having been polled at the request of one of the members of the court and a majority of the judges who are in regular active service not having voted in favor (FED. R. APP. P. and 5TH CIR. R. 35), the Petition for Rehearing En Banc is DENIED.

ENTERED FOR THE COURT:

/s/ Edith H. Jones
United States Circuit Judge

*United States District Judge of the Eastern District of Louisiana sitting by designation.

APPENDIX E

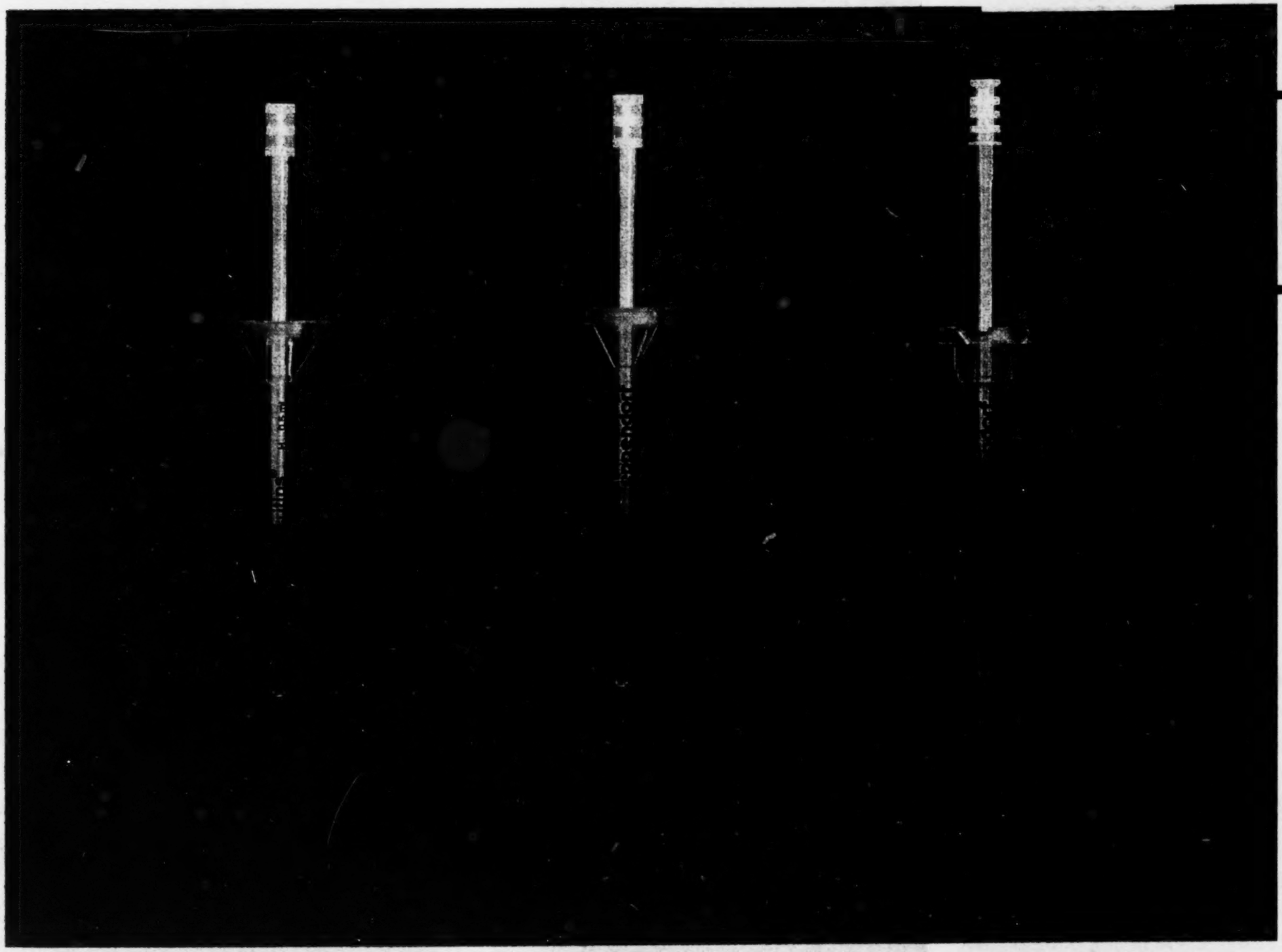
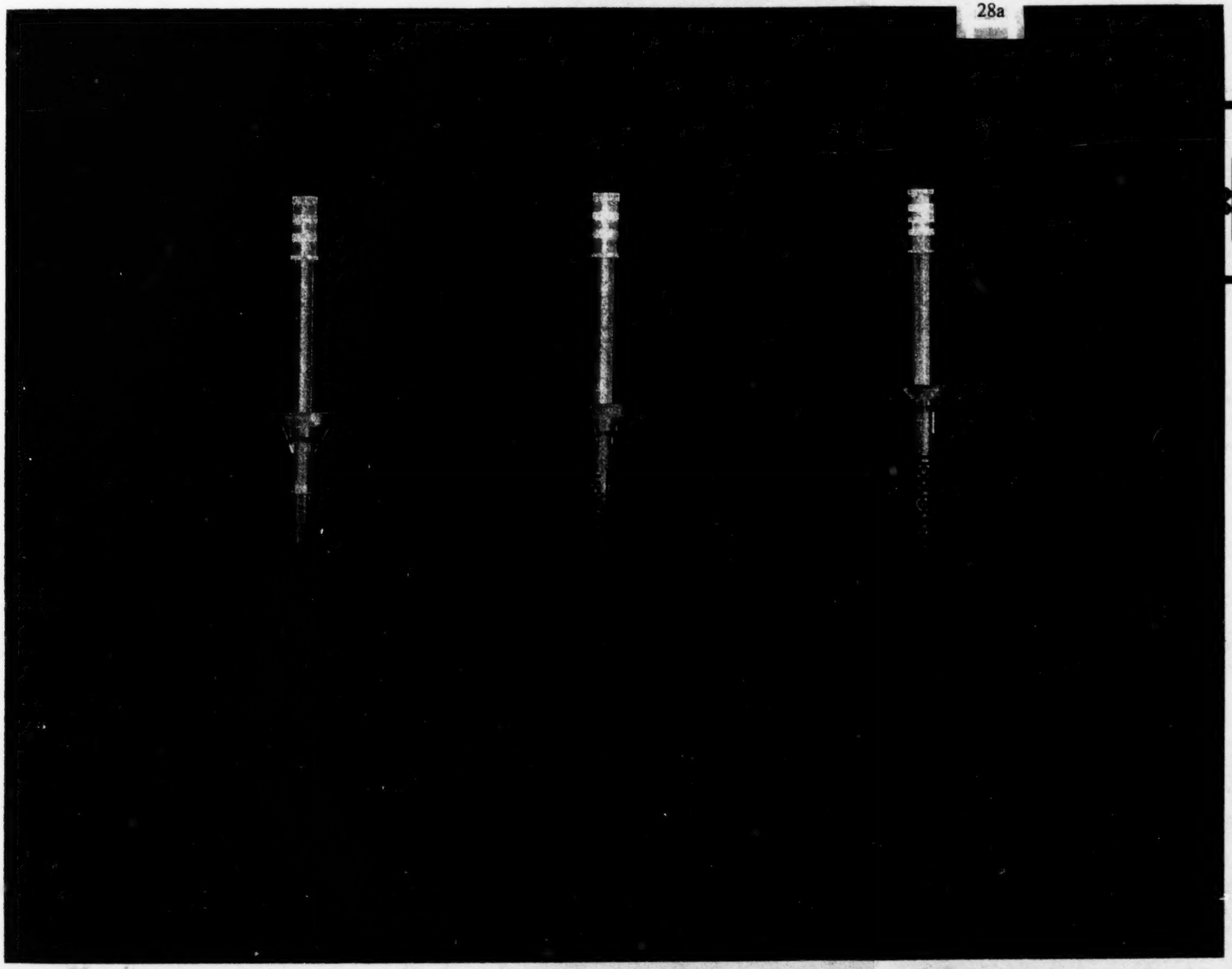
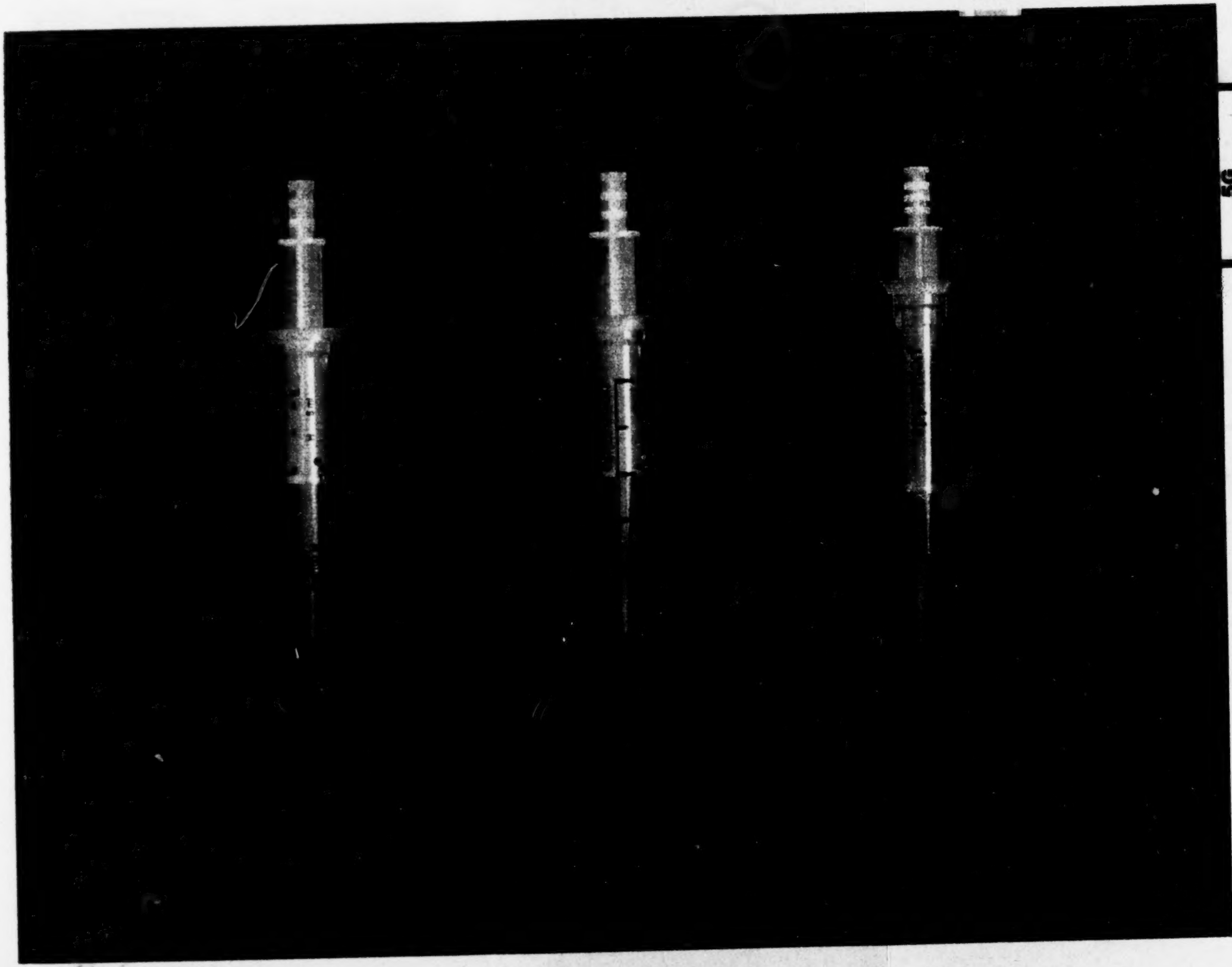


EXHIBIT 5A





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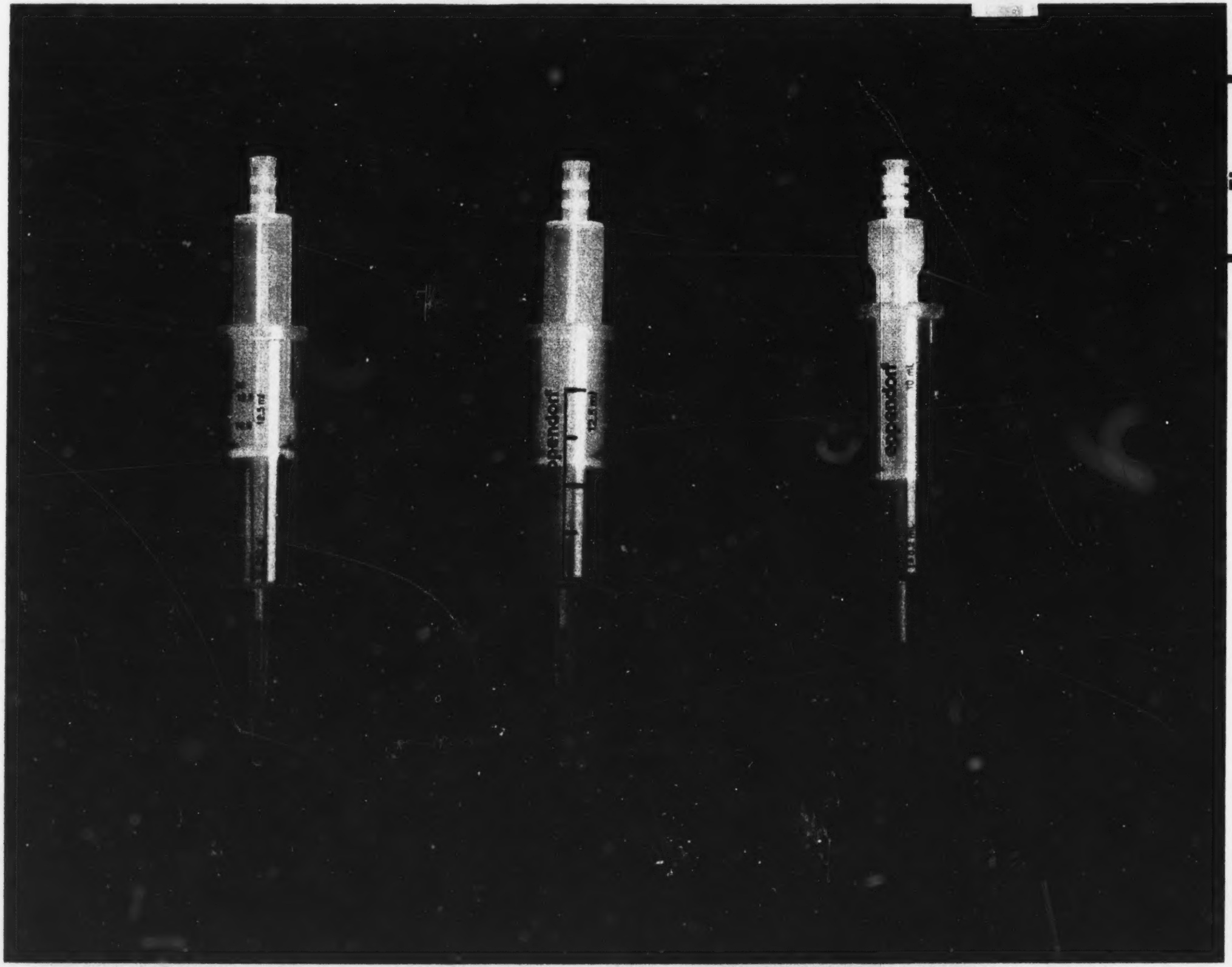

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PLAINTIFF'S
EXHIBIT
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